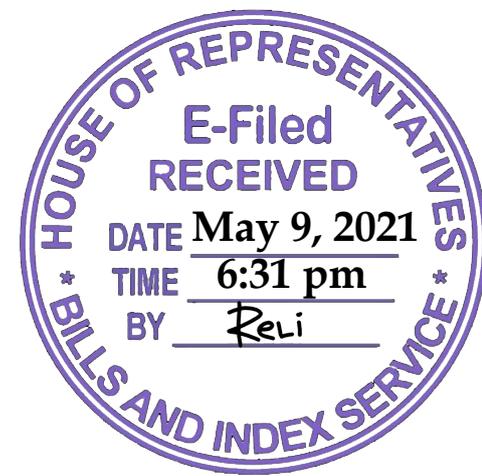


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE RESOLUTION NO. 1751



Introduced by Representatives Michael Edgar Y. Aglipay, Gil “Kabarangay” A. Acosta Jr., Angelo Marcos Barba, Maximo Y. Dalog Jr. and Hector S. Sanchez

RESOLUTION

CALLING FOR AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED IRREGULARITIES AND SETBACKS ON THE FREE WI-FI INTERNET ACCESS IN PUBLIC PLACES PROJECT IMPLEMENTED BY THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (DICT) THAT MARRED THE PROJECT AND GRAVELY AFFECTED THE DELIVERY OF SERVICE TO THE FILIPINO PEOPLE

WHEREAS, Section 24, Article II of the Constitution enunciated that “the State recognizes the vital role of communication and information in nation building”. Thus, the State encourages and supports the development of structures and technology for reliable and accessible internet services that will connect the different islands in the Philippines and enable the citizenry to advance globally.

WHEREAS, the Department of Science and Technology (DOST), through its Information and Communications Technology Office (ICT Office), in 2015 embarked on a project that will provide internet connectivity in public places across the Philippines. The project aimed to accelerate the government’s efforts in enhancing internet accessibility for Filipinos to accelerate economic, social and educational opportunities and reducing the growing digital divide under the overarching e-Filipino Program of the DOST ICT Office. The budget for the project as authorized in the General Appropriation Act for 2015 was Php 1.408 Billion.¹

WHEREAS, the Department of Information and Communications Technology (DICT) was created under Republic Act No. 10844, otherwise known as the “Department of Information and Communications Technology Act of 2015”, signed into law on May 23, 2016. The DICT is the primary policy, planning, coordinating, implementing, and administrative entity of the executive branch of the government that will plan, develop, and promote the national ICT development agenda.

WHEREAS, Republic Act No. 10929, otherwise known as “Free Internet Access in Public Places Act”, was approved on August 2, 2017 aimed to establish a program that will provide free access to internet service in public places throughout the Philippines, to promote knowledge-building among citizens and enable them to participate and compete in the evolving information and communication age. The

¹ dict.go.ph/DOST ICT Office Free Wi-Fi Internet Access in Public Places Project

DICT is mandated to lead the implementation of this program and will oversee the effective and efficient implementation of the Act.

WHEREAS, RA No. 10929 outlined the Free Public Internet Access Program that will provide free access to internet service in public places throughout the country particularly at the national and local government offices; public basic education institutions; state universities and colleges, and Technical Education and Skills Development Authority (TESDA) technology institutions; public hospitals, health centers and rural health units; public parks, plazas, libraries and barangay reading centers; public airports and seaports; and public transport terminals.²

WHEREAS, DICT faced several challenges that slowed the implementation of the Free Public Internet Access Project. The prevailing technology in the Philippines for internet connectivity is fiber optic cables which proved to be inappropriate for mountainous areas, remote islands, and areas prone to flooding, typhoons, earthquakes and other natural disasters. The DICT also encountered problem during the bidding process and initial stages of project implementation. There is also the political issue to contend with as local government units are authorized under the Republic Act No. 7160, otherwise known as the Local Government Code, for the installation of Wi-Fi facilities.

WHEREAS, the DICT partnered with the United Nations Development Program (UNDP) to accelerate the implementation of the Free Public Internet Access Project. The UNDP is tasked to assist in the roll-out of the free Wi-Fi services across the country and aid in the capacity building initiatives of stakeholders involved in the project management. It is also involved in the exploration of international partners through proposed convergence initiatives.

WHEREAS, the DICT-UNDP partnership commenced on September 26, 2018 and will end on December 31, 2022. The total resources required for the undertaking was Php 1,391,084,618.28 with the amount of Php 1,362,084,618.28 contributed by DICT.

WHEREAS, the UNDP engaged SpeedCast International Limited (SpeedCast for brevity), a multi-national firm, to import telecommunication equipment for the Free Public Internet Access Project.

WHEREAS, there were reports on the involvement of UNDP and SpeedCast to controversies affecting the implementation of the Free Public Internet Access Project and that DICT has yet to act on these controversies. It was alleged that SpeedCast committed technical smuggling of telecommunication equipment for the project and bribed Customs inspectors to undervalue the importations. It was also reported that SpeedCast declared bankruptcy while the project was rolling. Speedcast purportedly refused to pay its sub-contractor, the Philippine Communications Satellite Corporation (Philcomsat for brevity) which is 35% owned by the Philippines. In the same report, delays in the implementation of Phase 1 of the project was attributed to 1) flawed UNDP Masterlist of 3,000 internet sites with hundreds of sites with faulty or

² Sections 3 and 4, RA No. 10929

missing data; 2) wrong power information; 3) sites in private homes; and 4) sites under LGUs that were not informed of the free Wi-Fi project. ³

WHEREAS, the Commission on Audit (COA) reported that the financing terms for the Free Public Internet Access Project granted the UNDP full control over the project instead to the DICT which is the implementing agency of the project. State auditors flagged the government's project stating that the contract gave the UNDP more power over the project than it legally permitted. Stated in the COA report, the ownership of equipment, supplies, and other property financed from the contribution to the project shall vest in UNDP. Thus, the entire infrastructure of the project will become part of the UNDP's assets.

WHEREAS, the COA report stated that the financial agreement between DICT and UNDP for the implementation of the Free Public Internet Access Project gave the latter the power to ask for more funding in case of unforeseeable events. By entering into such agreement, DICT has bound the government to produce additional funds to be made available to the UNDP which are not yet appropriated by Congress.

WHEREAS, premises considered, it is imperative that Congress, in the exercise of its oversight functions, carefully review the implementation of the Free Internet Access in Public Places Act; ensure proper utilization of funds allocated to the project; and, exact accountability in government.

NOW, THEREFORE, BE IT RESOLVED, that the House of Representatives, through the Committee on Good Government and Public Accountability, to conduct an inquiry, in aid of legislation, on the alleged irregularities and setbacks on the Free Wi-Fi Internet Access in Public Places Project implemented by the Department of Information and Communications that marred the project and gravely affected the delivery of service to the Filipino people.

Adopted,



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³ tribune.net.ph published on April 30, 2021: "Philcomsat blames UNDP"